

NUCLEAR AND HYDROGEN GRADUATE ATTRACTION AND RETENTION PROGRAM ACT

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House Bill 5607 as introduced
Sponsor: Rep. Joey Andrews
Committee: Energy, Communications, and Technology
Complete to 12-4-24

Analysis available at
<http://www.legislature.mi.gov>

SUMMARY:

House Bill 5607 would create a new act, the Nuclear and Hydrogen Graduate Attraction and Retention Program Act, to provide a grant program for certain postsecondary graduates who are employed after graduation at a qualified electric generation facility in Michigan.

Program

The bill would require the Department of Labor and Economic Opportunity (LEO) to create and administer the Nuclear and Hydrogen Graduate Attraction and Retention Program. LEO would have to develop a detailed application, approval, and compliance process for the program and make it available on its website. To be eligible for the program, a *qualified individual* would have to apply no later than 12 months after they graduate with a degree or credential from a *qualified education program*.

Qualified individual would mean an individual who meets both of the following:

- They graduate from an in-state or out-of-state *postsecondary school* with a degree or credential from a qualified education program.
- They accept employment after graduation at a *qualified electric generation facility* in Michigan.

Qualified education program would mean an instructional program that leads to a degree or credential that supports the nuclear or hydrogen industry, including a skilled craft or engineering program that supports the design, construction, maintenance, or operation of an electricity-generating facility powered by nuclear or hydrogen energy.

Postsecondary school would mean a degree- or certificate-granting public or private college or university, junior college, community college, or vocational or technical school.

Qualified electric generation facility would mean an electric generation facility or an electric generation plant regulated by the Michigan Public Service Commission under 1939 PA 3 that produces electricity using nuclear or hydrogen technology. (This definition would exclude municipal electric utilities, which are not regulated by the Michigan Public Service Commission under that act.)

LEO would have to award a program participant an annual payment for a period of three years. A program participant would have to document to LEO, in the way LEO prescribes, that they were employed at a qualified electric generation facility in Michigan during the year related to the payment. A participant who ceases to be employed at a qualified electric generation facility

in Michigan would no longer be eligible to receive an annual payment under the program. A participant who receives a program payment they are not entitled to would have to repay it to LEO. If they fail to do so, the attorney general could bring an action to collect it. Repayments received under these provisions would be deposited in the Nuclear and Hydrogen Graduate Attraction and Retention Program Fund.

An individual who knowingly provides false information to LEO in an application, a request for payment, or documentation of qualifying employment would be guilty of a misdemeanor punishable by imprisonment for up to 93 days or a fine of up to \$1,000, or both.

Fund

The bill would create the Nuclear and Hydrogen Graduate Attraction and Retention Program Fund in the state treasury. The state treasurer would have to deposit into the fund money and other assets received from any source, including repayments to the fund as described above. The state treasurer would direct the investment of the fund and credit to the fund interest and earnings from those investments. Money in the fund at the close of the fiscal year would remain in the fund and would not lapse to the general fund. LEO would be the administrator of the fund for auditing purposes.

LEO would have to expend money from the fund, upon appropriation, only for one or more of the following purposes:

- To administer the program.
- To provide grant awards under the program.
- To enforce violations of the new act.

Report

By October 31 of each year, LEO would have to submit a report regarding the program to the chairs of the House and Senate appropriations committees, the chairs of the House and Senate standing committees on energy issues, and the House and Senate Fiscal Agencies. The report would have to include all of the following data for the immediately preceding fiscal year:

- The total number of program participants.
- The number of program participants in each year of the three-year grant period.
- The number of program participants who completed the three-year grant period.
- The number of program participants who ceased to qualify for a payment because they are no longer employed at a qualified electric generation facility in Michigan.
- A breakdown of active program participants by industry (nuclear or hydrogen).

Other provisions

LEO could promulgate rules to implement the new act.

The bill could take effect only if House Bills 5606, 5608, and 5609, and an unknown bill identified only by its request number, were also enacted.

FISCAL IMPACT:

House Bill 5607 would likely result in increased costs for the Department of Labor and Economic Opportunity. Under the bill, LEO would be responsible for creating and administering the Nuclear and Hydrogen Graduate Attraction and Retention Program. LEO's

responsibilities would include developing application and compliance processes, promulgating rules, and submitting an annual report. The magnitude of these costs is currently indeterminate.

The bill would also create a new state restricted fund, the Nuclear and Hydrogen Graduate Attraction and Retention Program Fund, which would be administered by LEO. Expenditures could be made from the fund for administration of the Nuclear and Hydrogen Graduate Attraction and Retention Program, grant awards under the program, and enforcement of the act. The bill is silent with respect to a revenue source for the fund, although the bill would allow for repayments to be deposited to the fund if a program participant had to repay a payment to which they were not entitled.

In addition, under the bill, an individual who knowingly provides false information to the department in an application, request for payment, or documentation would be guilty of a misdemeanor punishable by imprisonment for up to 93 days, a fine of up to \$1,000, or both. New misdemeanor convictions would increase costs related to county jails and/or local misdemeanor probation supervision. Costs of local incarceration in county jails and local misdemeanor probation supervision, and how those costs are financed, vary by jurisdiction. There is no practical way to know the number of individuals that would be convicted under provisions of the bill, or how they will be sentenced. Fine revenue collected would increase funding for public and county law libraries, which are the constitutionally designated recipients of those revenues. The fiscal impact on local court systems would depend on how provisions of the bill affected court caseloads and related administrative costs. It is difficult to project the actual fiscal impact to courts due to variables such as law enforcement practices, prosecutorial practices, judicial discretion, case types, and complexity of cases.

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